

# VERMONT'S HEALTH CARE REFORM

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## Frequently Asked Questions

- **How retirees are eligible for company sponsored retiree health insurance treated under the Acts?**

*Retirees eligible for company sponsored retiree health insurance are "eligible for an employer-sponsored insurance plan." Per 8 VSA sec 4080f (d)91), these retirees cannot enroll in Catamount, unless they have incomes at or under 300% federal poverty level, apply for premium assistance, and it is more cost effective for the state to pay premium assistance for Catamount than their ESI.*

- **If the retirees are to be treated similarly to employees, they might have to enroll in the company offered retiree plan, and then, based on income, be eligible for premium and co-pay subsidies from the State.**

*Correct, if the state determines that their ESI Plan is approved as comprehensive and affordable, and it is more cost effective for the state to pay premium assistance for them to enroll in their ESI rather than Catamount.*

- **If retirees are not considered the same as employees for this purpose, does their eligibility for company sponsored retiree coverage make them ineligible for Catamount?**

*Retirees are considered the same as employees for this purpose.*

- **Can retirees enroll in Catamount and receive premium subsidies based on their income without regard to the contribution to premium coverage offered by the employer? In IBM's case, I would not expect the IBM premium contribution to be available for enrollment in any but the IBM offered plan.**

*The cost effectiveness test for providing premium subsidies to enroll in either Catamount or the ESI plan will take into account the contribution to premium coverage offered by the employer.*

- **What portion of a retiree's income would be used to determine the amount of subsidy, if any, available if the retiree enrolled in an employer's retiree health plan?**

*In general, the person's total income is the basis for this determination. However, the premium assistance eligibility determination will use VHAP rules, which allow some deductions from income.*

- **What portion of income would be used for determining the retiree's premium cost if he/she were permitted and chose to enroll in Catamount Health?**

*The person's total income is the basis for this determination.*

- **If a retiree eligible for retiree health insurance secures employment with another company which offers health insurance, how does that change the employee's options and the company's obligations under the Act?**

*If the retiree has two ESI plans available, and the retiree is eligible for premium assistance, the state would evaluate both plans for cost-effectiveness. If one plan is cost-effective and the other plan is not, the retiree would be required to enroll in the cost-effective plan. If both plans are cost-effective, the retiree could choose either plan. If neither plan is cost-effective, the retiree could enroll in Catamount Health with premium assistance.*

- **Does Medicare eligibility affect eligibility for Catamount?**

*Yes. If you are not enrolled in a Catamount Health Plan and become enrolled in Medicare, you will not be eligible to enroll in a Catamount Health Plan. However, if you are already enrolled in a Catamount Health Plan and then become eligible for Medicare, you can choose to continue to stay enrolled in the Catamount Health Plan.*